

Assessment Bulletin

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Property Assessment and Taxation Legislation Updates

Amendments to the Municipal Government Act

Bill 41, *Municipal Government Amendment Act*, 2008 (No. 2) was passed on December 2, 2008. The Bill contains changes with respect to sections 292 and 304 of the *MGA*.

Section 292 changes and clarifies that the specifications and characteristics of linear property are determined:

- on October 31 of the year prior to the year in which taxation occurs, as contained in the records of the Energy Resources Conservation Board and the Alberta Utilities Commission, or both
- or as contained in the report requested by the assessor under subsection 292(3) and identified on October 31 of the year prior to the year in which taxation occurs.

Section 304(1)(f) changes and clarifies that the leaseholder is responsible for the tax on oil and gas lease sites where machinery and equipment is operated.

Bill 41 is available on the Legislative Assembly of Alberta website at http://www.assembly.ab.ca/net/index.aspx?p=bills_home

Updates to Regulation

The **Extension of Linear Property Regulation** (AR 265/2006) expires December 31, 2008. The ministry has amended this regulation to address the emergence of micro-generation. The amendments exclude micro generation from the definition of linear property. In this way, small green micro generation generating units are excluded from property assessment and taxation and will support the government's climate change strategy, which seeks to encourage advancements in small generation technologies.

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The **Electric Energy Generation Exemption Regulation** (AR 264/2006) expires December 31, 2008. The ministry has enacted this regulation in its current form.

The **Matters Relating to Assessment and Taxation Regulation** (AR220/2004) is changed to:

- clarify the definition of “farming operations” in section 1(i) as a consequence of Alberta Agriculture and Rural Development making changes to the *Livestock and Livestock Products Act* to which this definition now refers. This amendment is separate from the working group discussions on the definition of farming operations which will be sent to the Minister in the new year; and
- exclude micro generation property from the definition of “machinery and equipment” in section 1(j) as a complementary to the proposed amendments to the Extension of Linear Property Regulation. Micro generation units could then be included in the assessment of the market value of the property because it would only be excluded from linear and M&E assessment.

The above regulations are available on the Municipal Affairs website at http://municipalaffairs.alberta.ca/mc_property_assessment_and_taxation_legislation.cfm

If you have any questions regarding any regulations or amendments identified in this bulletin, please contact the Assessment Services Branch of Municipal Affairs at 780-422-1377, toll-free from anywhere in Alberta by dialing 310-0000 first.